

INITIAL STATEMENT OF REASONS
BUSINESS PARTNER AUTOMATION (BPA) PROGRAM

TITLE 13, ARTICLE 3.6.

Sections 225.18, 225.39, 225.45, 225.54 and 225.63

Vehicle Code section 1685 authorizes the department to contract with private industry partners to electronically process and update vehicle registration and titling transactions to the department's vehicle registration database. Regulations have been in place since 2002. The department, in an ongoing effort to improve customer service and allow business partners various options to serve their customers, will authorize business partners to process an additional type of vehicle registration transaction. This will allow business partners to issue substitute license plates and the stickers required on license plates that indicate the month and year renewal fees become due.

The department proposes to amend Sections 225.18, 225.39, 225.45, 225.54 and 225.63 to amend program requirements and add a new vehicle registration transaction in the BPA Program.

§225.18. Cause for Refusal to Enter into a Contract and Issue a Permit.

Subdivision (b) (11) is proposed to be amended to set a time limit upon which a former state employee may work for a business partner after being dismissed by the state. A time limit is reasonable as a person may commit an action that led to a dismissal at eighteen years of age and at fifty years of age would still be unhireable. Ten years is a reasonable amount of time to determine if the former state employee would again commit the action that led to his/her dismissal.

§225.39. Business Partner Responsibilities.

Subdivision (a)(7) is proposed to be amended to correct the revision date of the "Physical Inventory Non-DMV Entities" form.

Subdivision (a)(16) is proposed to be amended to include a new responsibility for first-line service provider business partners that wish to make available a new type of vehicle registration transaction process to their second-line business partners. As not all second-line business partners may choose the option of issuing license plates and stickers, the first-line service providers will be required to monitor their second-line business partners to ensure authorized processing of this transaction. This is necessary to safeguard the department's database and provide assurance that each second-line business partner is only processing transactions identified in its contract.

Subdivision (c) is proposed to be amended to clarify that the first-line business partner referenced in the subdivision is a first-line service provider. This is necessary to specify the responsibilities of a first-line service provider and not a first-line business partner as defined in Section 225.00(e) of these regulations.

§225.45. Customer Fees.

Subdivision (b)(2) is proposed to be amended to identify the new vehicle registration transaction, and the maximum amounts a business partner may charge a customer for that transaction. This is necessary to fulfill the requirement of Vehicle Code section 1685(c).

§225.54. Transaction Procedures and Inventory Requirements.

This section identifies the handbook that contains the written procedures for processing transactions and ordering and disposing of inventory as authorized for business partners. The “Business Partner Automation Program Transaction Procedures and Inventory Requirements Handbook” (December 2005) has been revised to include the procedures for the new transaction. The handbook is incorporated by reference in Section 225.54. The following sections have been added to the handbook.

Cover page

The handbook index on the cover page would be amended to add segment L which provides Unit names, addresses, FAX’s and telephone numbers for the various departmental units that provide support to the business partners in the Business Partner Automation Program.

Pages 2 and 3

Pages two (2) and three (3) of the handbook were added to inform business partners of the responsibilities, inventory requirements, mandatory reports and limitations for the various types of business partners. This information would provide a new readily accessible source of information about the Business Partner Automation’s (BPA) business rules that currently are only available in the BPA contract.

Page 4

Page four (4) of the handbook would inform dealers that registration and titling fees may be deposited for incomplete Applications for Registration of New Vehicle to avoid penalties when applications are not processed promptly. This is necessary to inform business partners of the options available to business partners when processing documents.

Page 17

The last two paragraphs on page 17 in the handbook were added to explain the processing of a registration document when a temporary suspension had been placed on a vehicle that requires a registered owner to provide satisfactory proof of financial responsibility. This information is necessary to inform business partners that they are prohibited from processing registration documents for vehicles with a registration suspension.

Pages 18 and 19

The last three paragraphs on page 18 and the first three paragraphs on page 19 of the handbook were added to explain the laws governing the Federal Heavy Vehicle Use Tax. This information is necessary to inform business partners of the federal requirements and the transaction processing requirements for vehicles that qualify to pay the Federal Heavy Vehicle Use Tax.

Page 20

The last paragraph on page 20 of the handbook was added to explain the requirements to process a transaction for substitute plates and/or stickers. This is necessary for the business partners to understand what document the customer is to complete and under what conditions substitute plates and/or stickers may be issued.

Page 30

Page 30 of the handbook was added to provide business partners with the appropriate contact information for the various areas at the department that may be required. This information includes the mailing address, telephone number and FAX number for each area identified.

§225.63. Audit Requirements.

Subdivision (b)(2) is proposed to be amended to identify the revised name of the department's BPA audit unit from Electronic Oversight Branch to the Audit Office. This information would provide the business partners with the correct name of the current departmental audit unit and would decrease misrouted mail to the department.